

FISCAL NOTE

TO: Chief Clerk of the Senate
Chief Clerk of the House

FROM: James A. Davenport, Executive Director

DATE: February 27, 1996

SUBJECT: **SB 2272 - HB 2983**

This bill, if enacted, will broaden the definition and exemption of industrial machinery for sales tax purposes to include all research and development machinery, and related parts and supplies.

The fiscal impact from enactment of this bill is estimated to be a decrease in state and local government revenues. Based on audits that have been conducted, such decrease is estimated to exceed \$2,500,000 to the state and \$1,000,000 to local governments.

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James A. Davenport". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

James A. Davenport, Executive Director